



## GOVERNMENT OF TELANGANA A B S T R A C T

Public Services – Treasuries & Accounts Department – Nalgonda District – Criminal and Disciplinary Proceedings against Sri R.Yellaiah, STO(Retd.), Deputy Director, District Treasury, Nalgonda for his involvement in payment of Pension / Gratuity against fake and forged Defence Pension Payment Orders without verifying specimen signature of pension sanctioning authority – Sri R.Yellaiah, STO(Retd.), Deputy Director, District Treasury, Nalgonda expired on 13-08-2008 – Further action abated under Sub Rule 7(a) under Rule 9 of A.P.Revised Pension Rules, 1980 – Orders – Issued.

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### FINANCE(ADMIN.I)DEPARTMENT

**G.O.RT.No. 799.**

**Dt: 14-10-2014**

**Read the following:**

- 1.RJD Charge Memo.No.A3/2339/99-5, dt.25.07.1999.
- 2.G.O.Rt.No.1079, Fin. & Plg. (FW.Admn.I) Dept., 19.06.2000.
- 3.Inquiry report of Sri D.Tavudu, RJD, T&A , Region- I Visakhapatnam vide Lr.No.A1/604/99, dt.22.04.2000.
- 4.Govt.Memo No.13529-E/130/A2/Admn.I/01-5, dt.23.12.2003
- 5.Explanation of Sri R.Yellaiah, STO(Retd.), Sub Treasury, Nalgonda, dt.27-01-2004
- 6.G.O.Rt.No.1715, Fin. (Admn.I-Vig.) Department, dt.19.04.2005
7. G.O.Rt.No.3442, Fin. (Admn.I.Vig.) Dept., 22..09.2009.
- 8.Lr.No.D1/16206/2009, dt.07.05.2012, along with the application of Smt.R.Shashi Rekha W/o Late R.Yellaiah,STO (Retd.),DD,DT,Nalgonda and expired on 13.08.2008 of DTA, A.P., Hyderabad.
9. Letter No.D1/16206/2009, dt.22.11.2013 of DTA, A.P., Hyderabad.

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### **ORDER:**

The fake Pension Payment Orders of Defence Pensions were received by the Treasury Department in visakhapatnam, Guntur, Cuddapah, Adilabad, Nizamabad, Medak, Mahaboobnagar and Nalgonda Distrcts and an amount of Rs.37,18,910/- was fraudulently drawn by the bogus military pensioners. In Nalgonda District, the imposters had drawn Rs.6,90,676/- on fake Defence Pension Payment Orders. Disciplinary proceedings were initiated against the following Treasury personnel who were involved in the case of payment of amount on fake Pension Payment Orders in the Nalgonda District.

- 1.Sri T.Goverdhan Rao, DTO (Retd.) District Treasury.
- 2.Sri Syed Jaffer, STO(Retd.) District Treasury.
3. Sri S.BikshapathiSTO(Retd.).
- 4.Sri R.I.Israil, STO(Retd.) Sub Treasury, Nalgonda.
- 5.Sri R.Yellaiah, STO(Retd.).
- 6.Sri M.Yellamandaiah, S.A., Sub Treasury, Nalgonda

**PTO**

2. In the reference 1<sup>st</sup> read above, the Regional Joint Director, Treasuries and Accounts Department, Region-III, Hyderabad initiated disciplinary action against Sri R.Yellaiah, STO(Retd),DD, DT, Nalgonda along with other Treasury personnel who were involved in the case of payment of amount on fake Defence PPOs.

3. Government ordered for regular inquiry under A.P.C.S.(CC & A) Rules 1991 vide reference 2<sup>nd</sup> read above by appointing Sri D.Tavudu, Regional Joint Director, T &A, Regional-I, Visakhapatnam and Sri G.Veeranna, Regional Joint Director, Region -III, Hyderabad as Presenting Officer.

4. The following Articles of charge was framed against Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda vide reference 1<sup>st</sup> read above

#### **CHARGE-I**

5. That the said Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda while functioning as Sub Treasury Officer, DD, DT, Nalgonda during the period 9/98 has processed/ passed the PPOs for payment without identifying the pensioners properly and paid in cash in violation of the instructions of the CCDA (P) Allahabad and Director of Treasuries and Accounts, A.P., Hyderabad issuing from time to time which resulted for a fraudulent payment to a tune of Rs.1,94,832/- irregularly to bogus Military Pensioners on forged and fake PPOs which caused financial loss to Government.

#### **Defence statement of Charged Officer:**

6. The Charged Officer in his explanation has stated that the said instructions of the C.C.D.A(P), Allahabad are not connected to the Sub Treasury, Nalgonda. Therefore he stated that he is not aware about the said instructions. He stated that he has verified the photos available in the Descriptive Rolls with reference to physical presence, Specimen Signatures, un-coloured seal, format etc, which were tallied. He stated that since the said P.P.O. was communicated from the District Treasury Officer, he has not entertained any doubt regarding the genuineness of P.P.O. He stated that he acted as I/c Sub Treasury Officer only for a short period and there was no much gap to acquaint with full details, rules and instructions. His previous honest performance, Commissioner, AP. Viadya Vidhaya Parishad, Hyderabad has awarded merit certificate and recommended for advance increments in recognition of his devotions to duty and the good record of good service and hence aquited to drop the charge.

#### **FINDINGS OF THE ENQUIRY OFFICER:**

7. The charged officer made payment on a fake PPO for an amount of Rs.1,94,832/. He worked in Sub Treasury on deputation during the vacant period of the regular Sub Treasury Officer for a period of 1 month. The instance of payments took place on 24-09-1998 on the date of which the Sub Treasury Officer took charge at Sub Treasury, Nalgonda. As such the scope for applying detailed audit with relevant points checks and audit may not be possible on the day on which he took charge and pleaded that he signed the papers innocently with good faith taking into confidence, the Sr. Accountant who is his subordinate might acquaintted already with existing procedure and relevant rules. The version of the Charged Officer has some consistency in the preavailing situation as the payments took place on the same date on which he took charge. The facts furnished by him in self defence have the varasity to believe and satisfactory. Hence taking into a lenient view and benefit of doubt the charge is considered to be held not proved.

8. On the basis of the documentary and oral evidence adduced in the case before the inquiry Officer and in view of the reasons given in his written brief, the inquiry Officer held that the **charge against Sri R.Yellaiah, Sub - Treasury Officer, DD, DT, Nalgonda is not proved.**

9. Consequent on retirement of Sri R.Yellaiah, Sub - Treasury Officer, DD, DT, Nalgonda on 31.08.2000, the Director of Treasuries and Accounts has forwarded the case to the Government for taking action against him under Rule 9 of A.P.Revised Pension Rules, 1980.

10. Government, after careful examination of the report of Enquiry Officer with reference to the charge framed against Sri R.Yellaiah, Sub - Treasury Officer has not agreed with the findings of the Inquiry Officer and concluded that all the charges framed against the delinquent are held proved and issued a show-cause notice along with Enquiry Report vide Memo 4<sup>th</sup> read above, to submit his explanation as to why a punishment of withholding of pensionary benefits should not be imposed on him under Rule 9 of A.P.Revised Pension Rules, 1980.

11. The Charged Officer Sri R.Yellaiah, Sub - Treasury Officer, DD, DT, Nalgonda in his explanation vide reference 5<sup>th</sup> read above stated that

(1) He was incharge Sub-Treasury Officer, Sub Treasury, Nalgonda on 24-09-1998 , when the fake PPO of Sri Ganesh Pande, which was communicated by the DTO, Nalgonda for payment vide his Rc.No.E5/4335/98, dt.23-09-1998, was paid under his authorisation.

2) That the cash payment was made in tune with the Govt. orders extending such facility till 31-03-1999 in relaxation of the provisions of G.O.Ms.No.213 F&P Dept., dt.19-12-1997.

3) That the entire Treasury administration responsible for channeling the payment of defence pensions was cleverly and intelligently manipulated by the fake PPO holder to defraud the Govt. money.

4) That as a gross root level agency to execute the orders of the superior authority he had acted on the recommendation of his subordinate staff, judiciously to verify the bonfides of the payee with reference to what has been communicated as a genuine PPO by the District Treasury, Nalgonda which to his misfortune turned out to be a fake and forged one subsequently.

5) During the course of enquiry ordered the facts of the case were minutely analysed by the Enquiry Officer appointed for the purpose, with reference to the article of charges and his deposition and exonerated him from the charge of his wilful involvement.

6) That the case which was decided three years back, was subjected to cold storage and now reopened by disagreeing with the finding already pronounced by the E.O appointed, thus shattering his dream of getting the long awaited pensionary benefits sanctioned at least now.

7) That in similar case of Sri K.Bhasker Reddy, Accounts Officer(Retd.) with all similarities as that of his case, expressing the same opinion of not finding guilty, the Govt. were pleased to drop further action against him and thus paved the way for sanction of the pensionary benefits vide G.O.Rt.No.244, dt.25-02-2000 in contrast to his case instead of issuing similar orders, now proposed to review the case a fresh without a substantive and new ground and thus deprive him of the Natural Justice entitled to him at this distance of time.

8) That the PPO on which the payment was affected had all the required inscriptions as included in the Annexure-II to the Govt. memo.

12. In view of the above, the Charged Officer has stated that he had no malafide motives in discharging his duties on the fateful day as attributed therein but it was a coincidence that he had not been able to detect the ulterior motives and evil designs of the fake PPO operator, within the frame work of authorised rules and payment and mainly rallying on the single point of had the PPO been received from the District Treasury, who are the custodians of the specimen signatures of the defence pension authorising authorities and who had cleared the PPO for payment by sending it to the Sub Treasury, (Hqs), Nalgonda, without an iota of suspicion about its fakeness. Hence the charged officer has requested to drop the proposed action and accept the findings of the Enquiry Officer and exonerate him of the charges and release his pensionary benefits.

13. In the reference 6<sup>th</sup> read above, Govt., has sanctioned for prosecution U/s 197(4) Cr.P.C. and sanction of 19 of Prevention of Corruption Act authorizing the Dy. Superintendent of Police, C.I.D., Cyberabad to prosecute the accused persons who were officials of District Treasury and Sub Treasury Office, Nalgonda including Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda for the offence punishable U/s 471,420 R/w 120(b) IPC and Sec. 13(1)(d) of Prevention of Corruption Act by a court of competent jurisdiction.

14. As the matter stood at this stage in the reference 8<sup>th</sup> read above, the Director of Treasuries and Accounts while furnishing the original application of Smt.R.Shashirekha wife of (Late) Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda District informed that Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda has retired on Superannuation on 31.08.2000 and expired on 13.08.2008 while drawing provisional pension from 01.09.2000 for Rs.3,600/- as per the A.G.s provisional pension Payment Order No.04-S-006619, dt.10-10-2000 as he was involved in military Pension Case. In the G.O. 7<sup>th</sup> read above have, Govt. have ordered to release the DCRG in respect of those who have retired from service and those who have expired duly withholding the amount of loss that occurred to the Government exchequer on account of the alleged action of the charged officers, which as apportioned by DTA against each charged officer without prejudice to the departmental proceedings and criminal proceedings pending against them. Hence requested to abate the disciplinary action initiated and pending with Govt. as the charged officer late R.Yellaiah, STO, DD, DT, Nalgonda retired and expired since the widow of the charged officer requested for settlement of Family Pensionary benefits.

15. According to Sub Rule 7(a) under Rule 9 of A.P.Revised Pension Rules, 1980, **"When a Government servant dies before conclusion of the disciplinary proceedings, generally death abates all further proceedings. As such, when Government servant dies before conclusion of the disciplinary proceedings, the proceedings under Rule 9 of the Andhra Pradesh Revised Pension Rule, 1980 also abates. If any loss caused or misappropriated the government amount by the deceased Government servant is established in such case, the disciplinary proceedings will not automatically abate and it is open to the Government to bring the legal representatives on record and conclude disciplinary proceedings for the purpose of recovery of the same."**

16. Government, after careful consideration of the matter, hereby abates further action in Criminal and the Disciplinary Proceedings initiated against Sri R.Yellaiah, Sub – Treasury Officer, DD, DT, Nalgonda District under sub Rule 9 of A.P.Revised Pension Rules, 1980, as he has expired on 13.08.2008, subject to withholding the apportioned amount of loss of Rs.48,708/- from the DCRG payable to family of the deceased Charged Officer.

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17. The Director of Treasuries and Accounts(I/c), Telangana, Hyderabad shall take necessary action in the matter accordingly.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)**

**K. RAMAKRISHNA RAO  
SPL. SECRETARY TO GOVERNMENT(IF)**

To

Smt. R.Shashirekha, W/o Late R.Yellaiah,STO(Retd.), O/o DD, DT, Nalgonda through

the Director of Treasuries and Accounts, Telangana, Hyderabad.

The Director of Treasuries and Accounts, Telangana(I/c), Hyderabad

The Addl.Director General, CID, A.P., Hyderabad.

Copy to :

The Accountant General (A&E), A.P., Hyderabad.

The Deputy Director, District Treasury, Nalgonda.

The Commissioner, A.P.Vigilance Commission, Secretariat, Hyderabad.

**// FORWARDED BY ORDER //**

**SECTION OFFICER**